1 Kevin D. Siegel (SBN 194787) FILING FEE EXEMPT PURSUANT TO E-mail: ksiegel@bwslaw.com GOVERNMENT CODE § 6103 2 Christopher M. Long (SBN 305674) Email: clong@bwslaw.com 3 BURKE, WILLIAMS & SORENSEN, LLP 1901 Harrison Street, Suite 900 FILED 4 Oakland, CA 94612-3501 SAN MATEO COUNTY Tel: 510.273.8780 5 Fax: 510.839.9104 SEP 2 8 2016 6 Marc Zafferano (SBN 112262) Email: mzafferano@sanbruno.ca.gov 7 City Attorney City of San Bruno 8 567 El Camino Real San Bruno, CA 94066 9 Tel: 650-616-7057 Fax: 650-742-6515 10 Attorneys for Respondents CITY OF SAN BRUNO; 11 CAROL BONNER, City Clerk 12 13 SUPERIOR COURT OF THE STATE OF CALIFORNIA COUNTY OF SAN MATEO 14 15 SAN BRUNO COMMITTEE FOR Case No. CIV538861 16 ECONOMIC JUSTICE; UNITE HERE LOCAL 2; MARY DOWDEN; LEIF PROPOSED JUDGMENT 17 PAULSEN; SHERAL MARSHALL; BEATRIZ JOHNSTON; KATHLEEN 18 SEMENZA; LILIBETH BONIFACIO; 19 MOLLY GOMEZ, 20 Petitioners, CIV538861 21 ٧. Judgment Filed CITY OF SAN BRUNO; 22 CAROL BONNER, as City Clerk, 23 Respondents 24 SAN BRUNO HOTELS, LLC; OTO 25 DEVELOPMENT, LLC 26 Real Parties in Interest. 27

BURKE, WILLIAMS & SORENSEN, LLP ATTORNEYS AT LAW OAKLAND

28

OAK #4826-5229-9573 v1

This Court having, on August 26, 2016, entered an Order Denying Motion for Peremptory Writ of Mandate, attached hereto as Exhibit A, which denied Petitioners relief with respect to each cause of action alleged in their First Amended Verified Petition for Peremptory Writ of Mandate, and good cause appearing, the Court hereby enters judgment against Petitioners and in favor of (1) Respondents, City of San Bruno and Carol Bonner, City Clerk for the City of San Bruno, and (2) Real Parties-in-Interest, San Bruno Hotels, LLC, and OTO Development, LLC. Respondents and Real Parties-in-Interest shall be entitled to recover their costs from Petitioners. SEP 2 3 2016 Judge of the Superior Court APPROVED AS TO FORM: By: Arthur Liou Counsel for Petitioners -2-OAK #4826-5229-9573 v1

BURKE, WILLIAMS &
SORENSEN, LLP
ATTORNEYS AT LAW
OAKLAND

EXHIBIT A

AUG 2 6 2016

Clerk of the Superior Count

SUPERIOR COURT OF THE STATE OF CALIFORNIA IN AND FOR THE COUNTY OF SAN MATEO

SAN BRUNO COMMITTEE FOR ECONOMIC JUSTICE, et al.,

v.

Petitioners.

Case No.: CIV 538861

ORDER DENYING MOTION FOR PEREMPTORY WRIT OF MANDATE

Date: July 28, 2016

Time: 2:00 Dept: 28

CITY OF SAN BRUNO; CAROL BONNER as City Clerk for the City of San Bruno, Respondents.

18 19

20

21

22

23

24

25

26

16

17

1 2 3

4

5

б

7

B 9

10

11

12

13

14 15

> Petitioners' Motion for Peremptory Writ of Mandate came on regularly for hearing on July 28, 2016 at 2:00 p.m. in Department 28 of the San Mateo Superior Court, the Hon. George A. Miram, presiding. Arthur Liou, Esq. of the law offices of Leonard Carder, LLP appeared on behalf of Petitioners, San Bruno Committee for Economic Justice, Unite Here Local 2, Mary Dowden, Leif Paulsen, Sheral Marshall, Beatriz Johnston, Kathleen Semenza, Lilibeth Bonifacio and Molly Gomez. Kevin D. Siegel, Esq. of the law offices of Burke, Williams & Sorensen, LLP and Marc Zafferano, Esq., City Attorney for the City of San Bruno appeared for Respondents, City of San Bruno and Carol Bonner, City Clerk. David H. Blackwell, Esq. of the law offices of Allen, Matkins, Leck, Gamble, Mallory & Natsis, LLP appeared on behalf of the Real Parties in

> > CIV538861 DRD

Page 1 of

27 28

Interest.

After reviewing the documents filed by the parties and hearing the arguments of counsel, the matter was submitted. The Court now makes the following order:

Respondents' requests for Judicial Notice are granted pursuant to Evidence Code sections 451(a) and 452(a), (b) and (c).

The Motion for Peremptory Writ of Mandate is DENIED.

The duty of the courts is to jealously guard the referendum power of the People.

Associated Home Builders v City of Livermore (1976) 18 Cal 3d 582, 591. Thus, the Courts apply a liberal construction to this power whenever it is challenged and doubts are reasonably resolved in favor of the use of this power. supra., p.591. This broad principle does not, however, entitle parties to infringe on administrative powers reserved to duly elected officials.

Here, respondents properly identify several reasons the present referendum is not available in the present circumstances.

First, Petitioner has failed to demonstrate exhaustion of its administrative remedies. The demonstration of an appeal is deficient. While petitioner belatedly contends that appeal would be futile or that the letter urging the city to process the referendum should constitute an appeal, neither contention is persuasive. Failure to exhaust administrative remedies precludes suit even if it is highly unlikely that the decision makers would reverse the decision. See South Coast Regional Com. v. Gordon (1977) 18 Cal 3d 832, 838. Further, unlike the footnoted letter in Lindelli v Town of San Anselmo (2003) 111 Cal App 4th 1099, 1106, the May 23, 2016 letter here (Exhibit 22 to the Fish declaration), fails to comport with an existing San Bruno mechanism for appeal. Absent in Lindelli, but present here, San Bruno Municipal Code Chapter 1.32 specifically provides for a mechanism of appeal to be initiated by filing a notice of appeal. The Fish letter, Petitioner's Exhibit 22, cannot fairly be read to constitute the written notice of appeal filed with the City Clerk referenced in the San Bruno Municipal Code. Petitioners contentions regarding the adequacy of the appellate process addressed for the first time in their reply brief, are similarly unpersuasive. Petitioner bears the burden in the first instance of demonstrating exhaustion of administrative remedies. Petitioner fails to meet that burden. Further, by failing to

raise the issue until their reply brief, plaintiff has given respondent little opportunity to demonstrate through evidence the adequacy of the appellate process,

On a substantive level, Petitioner argues that the Purchase and Sale Agreement (PSA) is tantamount to a Development Agreement. Development Agreements are generally legislative acts subject to referendum. In contrast, a PSA merely pursues a plan already adopted and is considered an administrative act. See Worthington v City Council of City of Rohnert Park (2005) 130 Cal App 4th 1132, 1140-41. Legislative acts may be appropriate for review by referendum. However, administrative acts are reserved for the city' council's determination. See City of San Diego v Dunkl (2001) 86 Cal App 4th 384, 399.

The plan here was previously adopted by the City. San Bruno Municipal Code Chapter 1.32, 2.20, 2.32; City of San Bruno Resolutions number 2015-81, 2015-82.

Government Code section 65865.2 prescribes necessary terms for a Development Agreement including the duration of the agreement, the permitted uses of the property, the density or intensity of the use, maximum height and size of the proposed building and provisions for preservation or dedication of land for public purposes. Most, if not all, such requirements are absent from the present PSA in question. Moreover, procedural prerequisites for a Development Agreement such as adoption by ordinance and a second reading are entirely absent here.

The subject Purchase and Sale Agreement (PSA) in question is not the same as, nor tantamount to, a Development Agreement.

Next, Petitioner contends that even if the Resolution is not a Development Agreement, it nonetheless should be regarded as a legislative act. This contention fails for the some of the same reasons as the argument regarding Development Agreements. The power to sell property which implements prior legislative decisions regarding the development of property is an administrative, not legislative act. The power to be exercised is legislative in its nature if it prescribes a new policy or plan; whereas it is administrative in its nature if it merely pursues a plan already adopted by the legislative body or some other power superior to it. Worthington, supra p. 1140-1141. Here this Court finds the latter characterization applies, not the former. The

resolution pursues an existing plan. Therein, the present resolution differs in significant detail from the legislative acts described in the authorities cited by Petitioner.

This Court finds that contrary to Petitioner's contention, adoption of the resolution in question does not constitute a legislative act. Resolution 2016-26 is not a legislative act subject to referendum. The City Clerk's failure to process the referendum to which petitioners' lacked a right is unavailing.

IT IS SO ORDERED.

AUG 2'5 2016

GEORGE A. MIRAM Judge of the Superior Court